## Missouri Mass Layoff Review

2004

The Mass Layoff Statistics (MLS) program is a Federal-State cooperative statistical effort which uses a standardized, automated approach to identify, describe, and track the effects of major job cutbacks, using data from each state's unemployment insurance database. This report looks at establishments that had 50 or more initial claims for unemployment insurance during a 5-week period, with at least 50 workers separated for more than 30 days. This scenario constitutes one layoff event. *Seasonal events are not included in this report.* 

In 2004, there were 33 mass layoff events in Missouri, resulting in a separation of 5,361 workers from their jobs for more than 30 days. The number of separations in 2004 is down by nearly half from the previous year, as there were 45 events and 10,106 separations in 2003. Overall, mass layoff events and separations in Missouri have decreased since 2001.

	2	004	2003		
	Events	Separations	Events	Separations	
1 <sup>st</sup> quarter	6	550	14	4,086	
2 <sup>nd</sup> quarter	10	1,225	16	3,725	
3 <sup>rd</sup> quarter	11	1,481	9	1,547	
4 <sup>th</sup> quarter	6	2,105	6	748	
Total	33	5,361	45	10,106	



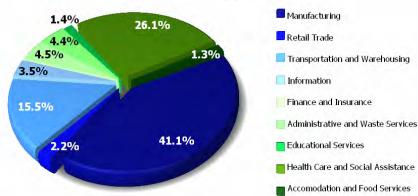
Of the workers laid off in 2004, approximately 30.5% were expected to be completely recalled to work, while 63.2% were not expected to be recalled at all. Just over 1% of workers expected a partial recall and information was not available for 5% of workers.

The manufacturing sector accounted for the largest number of events and separations in 2004, with 19 events and 2,203 (41.1%) separations. This was a decrease from 23 events and 3,857 separations in that industry in 2003.

The Health Care and Social Assistance sector accounted for 26.1% of the separations in 2004, largely due to a strike issue that was later resolved.

Layoffs in the Transportation and Warehousing sector resulted in 15.5% of separations, with 833 separations in four events. (Industries not included in the pie chart had no mass layoffs events.)





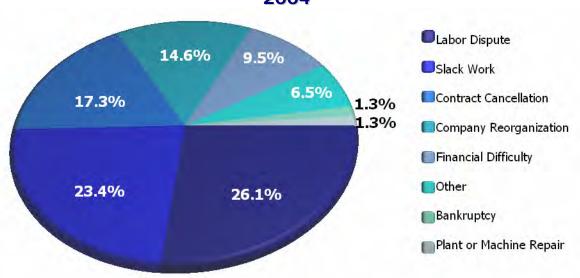


Layoffs events are also identified by reason. In 2004, the most prevalent reason for mass layoffs, by percentage of separations, was Labor Dispute with 26.1%. Slack Work was the reason cited for 23.4% of separations and nine events during 2004, while Contract Cancellation (17.3% of separations) and Company Reorganization (14.6% of separations) were also reasons for more than 10% of separations.

Of the recorded layoffs over the year from companies willing to respond to questions regarding movement of work, approximately 550 separations in Missouri were jobs that moved to other states.

In 2003, Financial Difficulty and Import Competition were the reasons for many of the separations, in addition to Slack Work.

## Missouri Separations by Reason 2004



	2004			2003		
			% of			% of
Reason for Layoff	Events	Separations	Separations	Events	Separations	Separations
Bankruptcy	3	69	1.3%	2	510	5.0%
Business Ownership Change	0	0	0.0%	1	175	1.7%
Contract Cancellation	3	928	17.3%	0	0	0.0%
Contract Completed	1	0	0.0%	1	100	1.0%
Domestic Relocation	0	0	0.0%	3	654	6.5%
Financial Difficulty	4	511	9.5%	13	5,076	50.2%
Import Competition	0	0	0.0%	4	1,094	10.8%
Labor Dispute	1	1,400	26.1%	0	0	0.0%
Overseas Relocation	0	0	0.0%	1	550	5.4%
Plant or Machine Repair	1	68	1.3%	2	320	3.2%
Reorganization within the Company	4	781	14.6%	4	298	2.9%
Slack Work	9	1,254	23.4%	12	1,209	12.0%
Other	1	350	6.5%	0	0	0.0%
Data Not Provided (Refusal)	6	0	0.0%	1	0	0.0%
Data Not Provided (Does not know)	0	0	0.0%	1	120	1.2%
Total	33	5,361	100.0%	45	10,106	100.0%

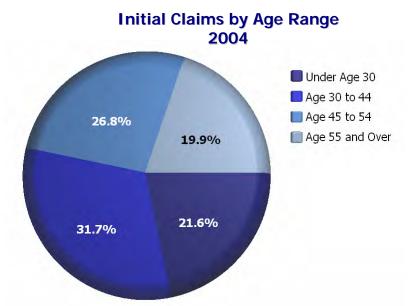


## **Initial Claimant Characteristics**

Demographic information is collected when an individual initially applies for unemployment insurance. For 2004, there were 6,076 initial claims for unemployment insurance related to the establishments reporting mass layoff events in the year.

Of these, 70.2% were White/Non-Hispanic, 16.8% were Black/Non-Hispanic, 1.6% were Asian or Pacific Islander, 0.7% were American Indian or Alaskan Native, and 0.5% were Hispanic. Ethnicity information was not available for 10.2% of the claimants.





Initial claims were relatively evenly dispersed among age groups in 2004. The Age 30 to 44 age group accounted for the most initial claims, with 31.7%. The 55 and Over age group accounted for the fewest initial claims at 19.9%. The Age 45 to 54 and Under Age 30 groups accounted for 26.8% and 21.6% of initial claims, respectively.

Regarding the gender of the initial claimants in 2004, 52.1% were female and 47.9% were male.

